

In the Circuit Court of the United States, for the  
Northern District of Ohio, Eastern Division.

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UNITED STATES OF AMERICA, COM- plainant, <i>versus</i> GENERAL ELECTRIC COMPANY ET AL., defendants.	} In Equity. No. 8120. Final de- cree.
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21 May 12 direct 9  
This cause coming on to be heard this day upon the motion of the complainant upon the petition herein for an injunction to restrain the defendants from violating the provisions of the act of Congress approved July 2, 1890, entitled "An act to protect trade and commerce against unlawful restraints and monopolies," as prayed for in said petition, and the complainant now appearing by Wade H. Ellis, John A. Kratz, Jr., and J. S. Pratt its counsel, and the defendants by their respective counsel, as follows: General Electric Company by Charles Neave, and Edwards H. Childs; Westinghouse Electric & Manufacturing Company and Westinghouse Lamp Company by Homer H. Johnson; Kentucky Electrical Company, York Electric & Machine Company and Elmer F. Dwyer by E. L.

Thurston; Corning Glass Works by A. D. Falck; Libbey Glass Company by E. J. Marshall; Phoenix Glass Company by J. M. Shields; Aetna Electric Company, Capital Electric Company, Franklin Electric Manufacturing Company, Liberty Electrical Manufacturing Company and Howard Gilmore and William Gilmore by Arthur L. Shipman; and the National Electric Lamp Company and all other defendants by W. B. Sanders, and the defendants now by leave of the court withdrawing their answers herein and stating in open court through their counsel that it is not their desire or intention, nor the desire or intention of any or either of them to violate the provisions of the act above referred to, but stating that it is their desire and intention and the desire and intention of each of them to comply with each and all the provisions of the Statutes of the United States referring to agreements, combinations or conspiracies in restraint of trade, and that their previous action in the premises was in the belief that it was not in violation of law, and that it is the desire and intention of them and each of them not to operate under or make or carry on any such contracts or practices as are condemned by said Act of Congress as now construed by the Court, and the Court, finding upon the petition that the defendants are and have been engaged in unlawful agreements and combinations in restraint of trade and that the doing of the several acts and things set forth in the petition and hereinafter enjoined

are unlawful, and the defendants not opposing the entry of this decree, it is accordingly by the Court, adjudged, ordered and decreed as follows:

First: That the petition herein be and hereby is dismissed as to the defendant Kentucky Electrical Company.

Second: That the General Electric Company is the owner of the entire capital stock of the National Electric Lamp Company, and, at the time of the filing of the petition herein, was the owner of the majority of said stock; that the said National Electric Lamp Company is in turn the owner of the entire capital stock of the subsidiary companies hereinafter named; that such stock ownership has been concealed from the general public and the trade; that notwithstanding such stock ownership the General Electric Company, the National Electric Lamp Company, and the latter's subsidiary companies hereinafter named, are pretending to be separate, distinct, independent and competing companies, in the business of manufacturing, dealing in and selling incandescent electric lamps, whereas no such independence or competition exists or has existed, and that the General Electric Company has heretofore been largely engaged in carrying on the incandescent lamp business indirectly through said companies.

It is, therefore, adjudged, ordered and decreed, that the defendants, National Electric Lamp Company and all its subsidiary companies, to wit, The American Electric Lamp Company of New York

(referred to in the petition as The American Incandescent Lamp Company of New York), The Banner Electric Company, Brilliant Electric Company, Bryan-Marsh Company, The Buckeye Electric Company, The Colonial Electric Company, The Columbia Incandescent Lamp Company, The General Incandescent Lamp Company, The Economy Electric Company, The Fostoria Incandescent Lamp Company, Independent Incandescent Lamp Company, Munder Electric Company, New York & Ohio Company, The Shelby Electric Company, The Standard Electrical Manufacturing Company, The Sterling Electrical Manufacturing Company, Sunbeam Incandescent Lamp Company, The Fostoria Bulb & Bottle Company, The Providence Gas Burner Company, and The Warren Electric & Specialty Company, be each and all of them dissolved, and the General Electric Company is enjoined from hereafter conducting, except in its own name, the business heretofore or hereafter carried on by it in incandescent lamps of any and every description; and

It is further adjudged, ordered and decreed that all factories, plants, and manufacturing and selling departments operated or owned by said General Electric Company, for the manufacture and sale of incandescent lamps, shall be made known to the general public and trade as the property and business of the said General Electric Company; provided that the General Electric Company is not prohibited by this decree from



preserving and using the trade names of incandescent lamps lawfully manufactured or sold by it, including the trade names now employed by the companies mentioned in this clause second, if it acquires such trade names and the business of manufacturing lamps to which the same are applied; but such names shall be publicly known as the property of the General Electric Company.

Third: That the General Electric Company and each and all of the Lamp Manufacturing Defendants as defined in clause fourth, their officers, agents and servants be and they hereby are restrained, enjoined and forbidden from making or carrying out directly or indirectly, any contracts with any manufacturer or manufacturers of lamp-making machinery, or with any manufacturer or manufacturers of bulbs and tubing for incandescent lamps, whereby such manufacturers or any of them shall be bound not to sell the goods, manufactured by them, respectively, to others than the said defendants or any of them, or hindered from so doing or obligated to sell to the said defendants or any of them at other and different prices and terms of payment than those to which they severally may sell to other purchasers.

Fourth: That the General Electric Company and each and all of the said defendants mentioned in clause second hereof, together with the Westinghouse Electric and Manufacturing Company, Westinghouse Lamp Company, Aetna Electric Company, The Capital Electric Company, The

Franklin Electric Manufacturing Company, Liberty Electrical Manufacturing Company, and Howard Gilmore and William Gilmore, doing business as the Gilmore Electric Company, all said defendants being collectively herein designated "The Lamp Manufacturing Defendants," are enjoined from fixing by combination, agreement, understanding or any other acts between any two, more or all of them, or between them or any of them and others, the price or prices at which any incandescent electric lamp or lamps of any pattern, character, type or description, whether made or sold under letters patent, license or otherwise, shall be sold or dealt in, either at wholesale or retail; provided that any of the defendants lawfully owning patents may grant to another defendant or to others, or may receive appropriate manufacturing licenses under such patents, or under any patents lawfully owned by any of the defendants or others, upon terms and conditions fixed only by the licensors; provided further, that any such licensor is hereby enjoined and prohibited from requiring or imposing upon the licensee the fixing of a resale price to be observed by the licensee's vendees; and the purchasers of such lamps from either the licensor or from the licensee or from the vendees of either the licensor or licensee, whether at wholesale or retail, shall not be in any manner restricted as to the price at which such lamps shall be sold to the public or to any dealer or consumer.

Fifth: That the General Electric Company and the other above-mentioned Lamp Manufacturing Defendants are enjoined from maintaining, by agreement, differentials between lamps which do not in fact differ in quality or efficiency, and said defendants are enjoined from allowing discounts based on aggregate purchases from different manufacturers.

Sixth: That the General Electric Company and the other above-named Lamp Manufacturing Defendants, and each of them, their officers, agents and servants, are perpetually enjoined and restrained from making or enforcing any contracts, arrangements, agreements or requirements with dealers, jobbers and consumers, who buy from the said defendants either tantalum filament, tungsten filament, metalized carbon filament or ordinary carbon filament lamps, or any of them, by which such dealers, jobbers and consumers are compelled to purchase all their ordinary carbon filament lamps from said defendants as a condition to obtaining such other types of lamps, or any of them, or by which dealers, jobbers and consumers are compelled to purchase any one or more of the above-mentioned types of lamps from the said defendants as a condition to the purchase or supply of any other or all of said types of lamps; and the said General Electric Company and the Lamp Manufacturing Defendants aforesaid are perpetually enjoined and restrained from discriminating against any dealer,

jobber or consumer desiring to purchase tantalum, tungsten or metalized carbon filament lamps because of the fact that such dealer, jobber or consumer purchases ordinary carbon filament lamps from others, and are perpetually enjoined and restrained from discriminating against any dealer, jobber or consumer desiring to purchase any one or more of the above-mentioned types of lamps because of the fact that such dealer, jobber or consumer purchases any other of said lamps from other manufacturers or dealers.

Seventh: That the General Electric Company and the others of the said Lamp Manufacturing Defendants are perpetually enjoined and restrained when making discounts based on the quantity of lamps purchased by any dealer, jobber or consumer from making such discounts on the basis of the total quantity of tungsten, tantalum, metalized carbon and ordinary carbon filament lamps sold, or the total quantity of ordinary carbon filament lamps and any one or more of such other types of lamps sold; and the General Electric Company and the others of the said Lamp Manufacturing Defendants are further perpetually enjoined and restrained from making any discounts based on the total quantity of any two or more types of lamps sold, when the result is to combine or aggregate the discount on both an unpatented lamp and a lamp patented or claimed to be patented; and that said defendants and each and all of them are perpetually enjoined from utilizing any patents which they



may have or claim to have or which they may hereafter acquire or claim to have acquired, as a means of controlling the manufacture or sale of any type or types of lamps not protected by lawful patents.

Eighth: That the General Electric Company and the other defendants are each enjoined and restrained from offering or making more favorable prices or terms of sale for incandescent electric lamps to the customers of any rival manufacturer or manufacturers than it at the same time offers or makes to its established trade, where the purpose is to drive out of business such rival manufacturer or manufacturers, or otherwise unlawfully to restrain the trade and commerce of the United States in incandescent electric lamps; provided that no defendant is enjoined or restrained from making any prices for incandescent electric lamps to meet, or to compete with, prices previously made by any other defendant, or by any rival manufacturer; and provided further that nothing in this decree shall be taken in any respect to enjoin or restrain fair, free and open competition.

Ninth: That the General Electric Company, as licensor, on the one hand, and Westinghouse Electric and Manufacturing Company, The Capital Electric Company, The Aetna Electric Company, The Franklin Electric Manufacturing Company, The Liberty Electrical Manufacturing Company, and Howard Gilmore and William Gilmore, trading as the Gilmore Electric Com-

pany, as licensees, and each and every one of them, and their officers, agents and servants, are hereby perpetually enjoined and restrained from operating under any license contracts or agreements so far as such contracts or agreements provide that prices and terms of sale of incandescent electric lamps shall be fixed otherwise than by the licensor, or containing provisions fixing the prices at which any purchaser or any vendee from a manufacturer shall sell incandescent electric lamps.

Tenth: That the defendant, the General Electric Company, is hereby enjoined and restrained from exercising its option to purchase the capital stock of the defendant the Franklin Electric Manufacturing Company, or from exercising or attempting to exercise any influence or control whatsoever over said company by virtue of its said option.

Eleventh: It is further adjudged, ordered and decreed that the court retains jurisdiction of this cause for the purpose of enforcing the decree herein, and also for the purpose of modifying any of its injunctive provisions as to any defendant or defendants upon the joint application of the Attorney General and such defendant or defendants.

Twelfth: It is further ordered that the defendants be and hereby are given a period of ninety days from and after the date of entry of this decree for compliance with the terms thereof, but they are given a period of six months from and

after the date of the entry of this decree for compliance with the terms of clause second hereof, during which several periods the injunction herein ordered is stayed.

It is further ordered that the defendants pay the costs of suit to be taxed.

(Signed) JOHN M. KILLITS, *Judge*.

OCTOBER 12, 1911.

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